AMENDED IN ASSEMBLY APRIL 6, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2691

Introduced by Assembly Member Hall

February 19, 2010

An act to amend Sections 38594 and 38598 of, and to add Section 38598.5 to, the Health and Safety Code, relating to air pollution.

LEGISLATIVE COUNSEL'S DIGEST

AB 2691, as amended, Hall. California Global Warming Solutions Act of 2006: fees.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to adopt a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020, and to adopt rules and regulations in an open public process to achieve the maximum technologically feasible and cost-effective greenhouse gas emission reductions. The act authorizes the state board to adopt by regulation, after a public workshop, a schedule of fees to be paid by the sources of greenhouse gas emissions regulated pursuant to the act. The fee revenues are deposited into the Air Pollution Control Fund and are available, upon appropriation by the Legislature, for purposes of carrying out the act. The state board is authorized to adopt market-based compliance mechanisms, as defined, meeting specified requirements to be used for compliance with those regulations.

This bill would prohibit a state agency, city, county, city and county, air pollution control or air quality management district, or another

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political subdivision of the state from imposing a greenhouse gas emissions fee, whether emissions-based or otherwise, on a source of greenhouse gas emissions that is-included in subject to either a market-based compliance mechanism-and or a fee regulation adopted by the state board. The bill would require the state board to transfer, upon appropriation by the Legislature, to an air pollution control or air quality management district \$1 for every \$1 expended by that district in providing requested assistance to the state board.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 38594 of the Health and Safety Code is 2 amended to read:
- 3 38594. Except as provided in Section 38598.5, nothing in this division shall limit or expand the existing authority of any district, 4 5 as defined in Section 39025.
- SEC. 2. Section 38598 of the Health and Safety Code is 6 7 amended to read:
- 8 38598. (a) Except as provided in Section 38598.5, nothing in this division shall limit the existing authority of a state entity to 10 adopt and implement greenhouse gas emissions reduction measures.
 - (b) Nothing in this division shall relieve any state entity of its legal obligations to comply with existing law or regulation.
- 13 SEC. 3. Section 38598.5 is added to the Health and Safety 14 Code, to read:
- 15 38598.5. (a) (1) A state agency, city, county, city and county, district as defined in Section 39025, or another political subdivision 16 17 of the state shall not impose a greenhouse gas emissions fee, 18 whether emissions-based or otherwise, on a source of greenhouse
- 19 gas emissions that is included in both subject to either of the 20 following:

11 12

- 21 (A)
- 22 (1) A market-based compliance mechanism established by the 23 state board pursuant to Section 38570.
- 24
- 25 (2) A fee regulation adopted by the state board pursuant to 26 Section 38597.
- 27 (2) Paragraph (1)

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(b) Subdivision (a) does not apply to a fee adopted solely to mitigate for, or pay the administrative costs relating to, air pollutants not including greenhouse gases, if legal authority exists for the imposition of that fee.

(b) Whenever a district, as defined in Section 39025, provides information, support, analysis, or another type of assistance requested by the state board, in connection with the state board's duties under this division, the state board, upon appropriation by the Legislature, shall transfer to that district one dollar (\$1) for every dollar expended by that district in providing the requested assistance.